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## REORGANIZATION OF THE GOLCONDA MINE

**Alexander Prussing and the Geiser-Hendryx Company Perfect Plans for a New Corporation.**

The Golconda mine will be reorganized and reopened.

Alexander Prussing, of Chicago, the gentleman who brought order out of the chaos of Red Boy affairs, is the man who will place the celebrated Cracker Creek mother lode bonanza on its feet. The Geiser-Hendryx Investment company, of Sumpter, has been a prime factor in the deal. James A. Howard, present general manager of the property, aided negotiations to a successful consummation. Both Mr. Prussing and Mr. Howard were in Pendleton yesterday, where the final details of a reorganization plan were perfected. Prussing left Pendleton for Portland last night, according to telegraphic advices, and will depart shortly for the east to take up the comparatively easy task of financing the new corporation. He will be joined in Chicago by H. T. Hendryx, who left Sumpter today.

The Geiser-Hendryx company will have the local management and superintendency of the mine, according to the reorganization plans.

Mr. Prussing was in Sumpter last week, under the pilotage of Al Geiser. Secrecy at the time was maintained as to Mr. Prussing's mission, but The Miner was admitted far enough into the inner circles of negotiations to understand what the plan was to be. The first official announcement that the reorganization scheme had been perfected was a press dispatch under a Pendleton date, reading in part as follows:

"Prussing's scheme is to finance the mine and take the management until about April 1, 1905. He will allow the old stockholders to contribute pro rata, according to their holdings, toward the reorganization fund to pay off the mortgage indebtedness. This indebtedness amounts to about \$30,000.

"The Golconda has been closed since last May. It was first worked about ten years ago. The present company took charge about three

years ago. It got in debt and was finally shut down.

"It is claimed that the mine is just as good as it ever was and that its minerals are very rich. Prussing will return to the coast in a few weeks."

When seen this morning by a Miner representative H. T. Hendryx confirmed the above dispatch.

"Myself and Mr. Geiser interested Mr. Prussing in the Golconda and we will have the local management and superintendency. Reorganization of the old Golconda company will be effected on a capitalization basis of about one million dollars, which is one-third of the present capitalization. Mr. Prussing will attend to the financial part of the flotation and his headquarters will be in Chicago. The mine will be opened as soon as possible, perhaps immediately upon my return from the east, which will be in a month or six weeks.

The new company will assume all debts against the mine, which amount to \$26,120. A sufficient cash surplus will be provided to insure successful consummation of the development plans outlined by the consulting engineers of our firm."

A short time ago Geiser and Hendryx were given virtual control of the Golconda by a lease and bond. The present turn of affairs is an out come of that option.

J. A. Howard returned yesterday from a trip "outside;" presumably beyond Baker City at least as far as Pendleton, certainly to La Grande, on banking and mining business. Regarding the first named mission, he has no word to utter, except to say: "Things are all right."

When placed on the stand and called on to give his testimony regarding the mining proposition, Mr. Howard had some cautious, guarded remarks to make. He partially confirmed the report placed on the press wire at Pendleton regarding the resumption of negotiations for a

reorganization of the Golconda company, and the financing of that deal along same lines. He confirmed that report to the extent that Alexander Prussing, of Chicago, has undertaken the task, and he expressed the belief that it will be successfully executed. Regarding some of the statements made in the papers, The Miner included, the gentleman assumed a skeptical attitude, though he makes no specific denial, saying carelessly like:

"Oh, there is something in it; let it stand just at it is. I don't see that your variations from accuracy can do any damage, and certainly a correction will do no good. I, myself, took this matter up with Mr. Prussing months ago, and now that he has successfully pushed the Red Boy deal through, has consented to do the same for the Golconda,—and doubtless will."

In this connection, one thing is about as sure as death and taxes; namely, that when a Golconda deal is pending, J. A. Howard will be a party to the negotiations, and when it is consummated it will be because he sanctions the terms. He is the largest stockholder in the company.

## SAW MILL WILL START IN 10 DAYS

W. L. Vinson and A. P. Jones returned from the Thornburg placers today in time for the former to catch the train for Baker City.

They report that the road to the diggings has been completed and that the machinery for the sawmill, which has been standing on a side track here for some days, will be loaded on wagons Monday, hauled out and installed without further delay. In about ten days it will be cutting lumber for the flume.

Mr. Vinson says he will complete two miles of this twelve-mile flume this fall, which will enable him to begin hydraulicking early next spring. The remaining ten miles of the flume will be built next year. Logging operations were commenced this week, and the crew is getting out 20,000 feet a day. He expects to cut a half million feet of lumber during the winter, which is about all the logs that can be gotten out before the weather forces a shut down of logging operations, unless there is an unusually late fall.

No stock has been issued on this proposition, the property being owned exclusively by Messrs. Vinson and Patterson.

The E. and E. has awarded a contract for 1,000 cords of wood, delivered at the mill.

## CABLE COVE IS HUMMIN'

"Cable Cove is the busiest sub-district on the eastern Oregon map," said Tom C. Gray to a Miner man this morning.

"A trip through the camp is conducive to a deep and abiding faith in the future greatness of the mineral industry hereabouts.

"On my way down from the Valley Queen I made the following observations: The compressor plant at the Gold Coin is working full time. Tom Kennerly has opened the Oregon King, on Silver creek, and is building winter quarters and developing the mine with a force of six men. The Midway, further up, is preparing to start its compressor and take out ore. The Free Coinage is idle, but Portland owners have been writing to local parties with a view to arranging for early resumption. The California has six men stopping ore for shipment to the Sumpter smelter. Nine men are doing scientific development work at the Overland, under the superintendency of M. E. Bain. The thunder of dropping stamps at the Imperial sounds good. Fourteen men are employed at this property, exclusive of the teamsters engaged in hauling concentrates to Sumpter. Superintendent Willy and a force of miners are developing the Storm King, having taken in supplies for the winter. The Crown Point has just awarded a 200-foot contract for extending the lower tunnel and the compressor will be started within the next two or three days. Al Heisler has three men at work on his claims adjoining the Crown Point. A wagon road is being built to the Combination, and active development work will be started this week. McLeod and Moran are hammering away at the Butterfly, on the Lake creek slope. The hermit Dutchman is opening a good ledge below the Western Union. We are stopping ore at the Valley Queen and sacking for shipment to Sumpter. Ten men are employed at the Monumental, and eight at the Buffalo. Assessment work is also being done on at least a score of properties in the region described. Every tap of the drill makes for success, and every shot means more men, more money more machinery, more mills."

Sumpter men are negotiating for the purchase of the tailings dump of the Monumental mine. If the deal is consummated a small cyanide plant will be installed.